

## HUMAN SERVICES - OTHER

Agency 235

### Department of Labor and Industries

#### Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2005-07 Expenditure Authority</b>	2,643.5	15,232	521,509	536,741
<b>Total Maintenance Level</b>	2,601.4	15,620	520,680	536,300
Difference	(42.1)	388	(829)	(441)
Percent Change from Current Biennium	(1.6)%	2.5%	(0.2)%	(0.1)%
<b>Performance Changes</b>				
Factory Assembled Structures	1.0	199		199
COHE Expansion Evaluation			382	382
Independent Medical Exam Schedulers	2.1		268	268
Pension Benefits Specialists	2.2		354	354
Upgrade Apprentice Tracking System			337	337
Worker Safety Consultation and Outreach	4.2		1,552	1,552
Medical Provider Timely Reimbursement	7.6		1,261	1,261
Claim and Account Center Upgrade	7.7		3,970	3,970
Additional Fraud Audits and Information Technology	6.6		3,579	3,579
Claim Suppression Investigations #	2.2		362	362
Express File Enhancements	2.3		2,104	2,104
Farm Labor Contractor Compliance	2.1		484	484
Industrial Insurance Fund Audits			476	476
Medical Advisory Committees #			526	526
Phased Replacement of Legacy System	6.6		5,160	5,160
Increasing Prevailing Wage Services	2.1		560	560
Permanent Total Disability Study	.6		605	605
Controlling PT/OT Therapy Costs	1.1		2,413	2,413
Contractor and Electrical Data System	4.2	587	1,760	2,347
Vocational Rehabilitation Legislation #	6.7		1,195	1,195
Improve Vocational Services	2.2		333	333
Implementing Wage Payment Act	.5		139	139
Using Web Portal Technology		4	872	876
Revise Pension Gain-Sharing #		(36)	(959)	(995)
Nonrepresented Staff Health Benefit		3	147	150
WFSE Collective Bargaining Agreement		528	28,296	28,824
Coalition Collective Bargaining Agreement		595	2,610	3,205
Nonrepresented Staff Salary Change		38	1,729	1,767
Self Insurance Premium			140	140
<b>Subtotal</b>	61.9	1,918	60,655	62,573
<b>Total Proposed Budget</b>	2,663.3	17,538	581,335	598,873
Difference	19.8	2,306	59,826	62,132
Percent Change from Current Biennium	0.7%	15.1%	11.5%	11.6%

## HUMAN SERVICES - OTHER

	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>Total Proposed Budget by Activity</b>				
Administration	227.1	468	60,677	61,145
Apprenticeship	16.1		4,360	4,360
Contractor Registration	44.5	7,366	1,112	8,478
Crime Victims' Compensation	45.4		40,351	40,351
Electrical	207.5		38,021	38,021
Elevator Inspection	31.8	4,476	396	4,872
Employment Standards/Prevailing Wage	49.1		9,802	9,802
Factory-Assembled Structures	20.7	3,791	26	3,817
Field Office Customer Support	129.1	2	26,078	26,080
Health Care Analysis	115.7		27,135	27,135
Fraud Prevention and Compliance	244.1		42,565	42,565
Plumbers Certification	8.6		1,478	1,478
Premium Assessment	130.5		22,550	22,550
Pressure Vessel	18.8		3,269	3,269
Self Insurance	80.5		15,051	15,051
SHARP	24.0		6,837	6,837
WISHA Administration and Policy				
WISHA Consultation and Compliance	378.6		69,936	69,936
Worker Compensation Benefit, Policy, and Operations	891.6		169,363	169,363
Other Statewide Adjustments		1,435	42,328	43,763
<b>Total Proposed Budget</b>	<b>2,663.3</b>	<b>17,538</b>	<b>581,335</b>	<b>598,873</b>

## PERFORMANCE LEVEL CHANGE DESCRIPTIONS

### Factory Assembled Structures

The Department of Labor and Industries (L&I) is responsible for reviewing and approving more than 4,000 factory-assembled structures, recreational vehicles, and recreational park trailer plans annually for businesses and homeowners. Recently, there has been an increase in the number and size of the structures. Additional resources are provided to eliminate the review and appeal backlog and to provide a ten working day turnaround for reviewing plans.

### COHE Expansion Evaluation

Funds are provided to evaluate the recent expansion of an innovative program to improve treatment of injured workers and return them to their jobs sooner. The Centers of Occupational Health and Education (COHEs) are located in Spokane and Renton. The 2005-07 biennial budget provided for an expansion of existing COHEs and the development of two new small COHEs. Funds are provided for the University of Washington to evaluate this expansion and the continuing effectiveness of the Spokane and Renton COHEs, and to determine if COHE best practices and outcomes can also be achieved in rural counties. (Medical Aid Account-State)

### Independent Medical Exam Schedulers

Because of the increased number and complexity of worker compensation claims cases, additional resources are needed to schedule timely independent medical exams. (Accident Account-State, Medical Aid Account-State)

### Pension Benefits Specialists

Additional resources are provided to increase the timeliness of payments to recipients on newly created pensions, to increase cost recovery by eliminating the backlog of Social Security offset adjustments, to conduct quality control recalculation of pension benefit amounts in response to a State Auditor finding, and to provide more timely responses to customer questions. (Accident Account-State, Medical Aid Account-State)

### **Upgrade Apprentice Tracking System**

Funding is provided to upgrade the apprenticeship referral tracking system to make it accessible online to apprenticeship training programs. Technology changes will make it easier for business and apprenticeship programs to interact with the system and to share information with L&I electronically, making the department's internal processes more efficient and timely. (Accident Account-State, Medical Aid-State)

### **Worker Safety Consultation and Outreach**

Funding is provided to increase the quantity and quality of workplace safety education, consultation services, and training in consultation and compliance. Funds also will be used to foster recognition, cooperative programs, and partnerships and alliances aimed at small businesses and high hazard industries. (Accident Account-State, Medical Aid Account-State)

### **Medical Provider Timely Reimbursement**

Fewer doctors willing to treat injured workers in the workers' compensation system. Funding is provided to address the providers' concerns by making it easier to use the complex workers' compensation system and reduce the time needed to process bills. Health care provider account representatives will work with providers to remove barriers and solve billing issues. Additional resources will be added to address increasing bill volume and to speed up bill payments. (Medical Aid Account-State)

### **Claim and Account Center Upgrade**

Funding is provided for the next installment of online transactions for L&I's Claim and Account Center (CAC). The CAC was launched in January 2005, giving employers, workers, and providers online tools to deal with their claims and accounts. CAC has been very well received and customers have asked for additional features. New services identified for the 2007-09 Biennium include a secure mailbox system to exchange e-mails and expanded access to claim information and Internet-based business transactions. (Accident Account-State; Medical Aid Account-State)

### **Additional Fraud Audits and Information Technology**

Preventing fraud and abuse in the workers' compensation system is one of the Department's highest priorities. A Fiscal Year 2007 technology investment was the first phase of a long-term plan to increase the number of fraud-related audits. The next phase planned for the 2007-09 Biennium will continue to increase the number of audits and provide more tools for auditors to improve results. Funding is provided for staff and technology enhancements to meet L&I's goal of auditing four percent of employers each year. It is projected to result in an additional \$1.2 million in premiums collected in Fiscal Years 2008 and 2009 and \$2.1 million each year thereafter. (Accident Account-State, Medical Aid Account-State)

### **Claim Suppression Investigations #**

Funding is provided to support proposed legislation regarding worker compensation claim suppression. The legislation provides for investigation of claim suppression allegations, gives the department authority to subpoena claim records, and authorizes penalties. It also allows the department to waive time limits for filing a claim when a worker has not filed within the statute of limitations due to claim suppression. (Accident Account-State, Medical Aid Account-State)

### **Express File Enhancements**

Funding is provided to update the nine-year-old express filing system that more than 30,000 employers use each quarter to file, amend and pay their workers' compensation premiums on-line. Problems will be corrected that currently prevent the system from being used by large service companies managing payrolls for thousands of employers. The system will also be easier to use to file late reports and amend reports on-line. It will be converted to standard web technology, away from an old technology that is increasingly difficult to maintain. These modifications will prepare the application for integration into the statewide portal and make it easier to do business online. (Accident Account-State, Medical Aid Account-State)

## **HUMAN SERVICES - OTHER**

### **Farm Labor Contractor Compliance**

Additional resources are provided in response to a recent high-profile farm labor contractor (FLC) fraud and abuse case and ongoing concerns that seasonal labor shortages will increase demand for FLC services. New staff will review Farm Labor Contractor (FLC) applications for legal requirements, perform compliance checks, and conduct outreach to farmers and landowners to aid in compliance with FLC law. (Accident Account-State, Medical Aid Account-State)

### **Industrial Insurance Fund Audits**

Contract costs for implementation of legislation regarding industrial insurance fund audits have been higher than originally anticipated. In addition, the State Auditor's Office will contract out the Generally Accepted Accounting Principles (GAAP) and Statutory Accounting Principles (SAP) audits which will result in increased costs. (Accident Account-State, Medical Aid Account-State)

### **Medical Advisory Committees #**

The Department needs to replace services previously provided by volunteers from the state medical community. Legislation has been submitted to establish medical and chiropractic advisory committees. These committees will assist L&I in making evidence-based decisions to ensure safe and effective healthcare for workers and to reduce the financial risk of authorizing unproven therapies. Funding is provided to reimburse committee members, contract with a technical research specialist, and cover the committees' administrative costs. (Medical Aid Account-State)

### **Phased Replacement of Legacy System**

The worker compensation claims management computer system is 20 years old and increasingly difficult to maintain and modify. Funding is provided to analyze and map the existing complex systems in order to develop a detailed plan for modernization. The plan will also incorporate additional business process improvements including those identified in the Online Reporting and Customer Access project. (Accident Account-State, Medical Aid Account-State)

### **Increasing Prevailing Wage Services**

Beginning in July 2007, the transfer of 30 percent of prevailing wage revenues from the Public Works Administration Account (PWAA) to the General Fund-State Account will cease. This revenue to the PWAA will supply the funding needed to enforce prevailing wage laws, conduct outreach and education, and create a pilot project for online prevailing wage surveys. (Public Works Administration Account-State)

### **Permanent Total Disability Study**

Funding is provided for an independent study of employer claims in which workers were granted permanent total disability pension benefits under the workers' compensation system. The number of workers who were awarded such benefits, pursuant to RCW 51.08.160, has increased significantly over the past five years. The study will include analysis of the causes of the recent increase, including changes in injured worker demographics, and policies that affect benefit decisions. A comparison of Washington's permanent disability claims experience and injured worker outcomes with other states and jurisdictions will also be provided, along with future anticipated permanent disability trends. (Accident Account-State)

### **Controlling PT/OT Therapy Costs**

Physical and occupational therapy costs the workers' compensation system \$63 million annually, or 12.8 percent of the total health care benefits paid. The Department currently reviews the effectiveness of physical therapy at the 40th visit. Occupational therapy is not reviewed at all. Much of the treatment beyond 24 visits does not appear to improve a worker's outcome, and in some cases, extends disability because a more effective treatment plan has not been implemented. Funding is provided to conduct utilization reviews at 24 visits, the number recommended by the profession and to hire staff to enter data from the utilization review into the claimant's file. It is estimated that this earlier review would save the Medical Aid Account \$5.0 million per biennium in benefits by eliminating inappropriate therapy. (Medical Aid Account-State)

### **Contractor and Electrical Data System**

Funding is provided to upgrade and improve the functionality, speed and usability of L&I's contractor registration and electrical licensing computer system. The obsolete contractor registration information system will be retired and necessary functionality added to the department's existing QuickCards application. QuickCards will be further enhanced to improve performance and ease of use. These improvements will provide the public with more complete information regarding a contractor's record of compliance, prepare QuickCards for future integration into a statewide portal, and fix significant operating difficulties that licensing staff encounter when helping customers. (General Fund-State, Electrical Account-State)

### **Vocational Rehabilitation Legislation #**

Significant legislative reform to the vocational rehabilitation system is proposed by the Governor to improve outcomes for injured workers who receive vocational services. Funding is provided to support this legislation. (Medical Aid Account-State)

### **Improve Vocational Services**

Additional resources are provided for the early return to work program. When appropriate, this program makes it possible for vocational assessment services to be handled in-house, reducing the processing time and getting workers back to work sooner (18 days compared to 75 days). This process is projected to save over two million dollars annually by avoiding professional fees for private vocational services and reducing time-loss payments since workers are expected to return to work sooner. (Medical Aid Account-State)

### **Implementing Wage Payment Act**

Funding is provided to implement the Wage Payment Act enacted by the 2006 Legislature. Funded activities will include providing legal coordination for wage complaints; reviewing and approving citations, assessments, and determinations of compliance for wage claims; and offering education and outreach regarding the Wage Payment Act. Funding will enable the Department to process the 20 percent increase in complaints from workers regarding unpaid wages that has occurred since the bill was enacted. The Department is mandated to enforce claims against employers who fail to pay wages to their workers. (Accident Account-State, Medical Aid Account-State)

### **Using Web Portal Technology**

Funding is provided to expand the capacity and capabilities of L&I's web portal. The portal is a critical element of the Department's strategic plan that will enable more rapid development of new applications for use by the agency's partners and customers. Funding will enhance the existing portal to more easily integrate with the statewide portal. It also will provide for a pilot that leverages the portal's capabilities to improve the agency's labor-intensive and error-prone Web authoring and publishing processes. (Accident Account-State, Medical Aid Account-State, Electrical Account-State, Public Safety and Education Account-State)

### **Self Insurance Premium**

Funding for the Department's self-insurance premium is increased to reflect claims experience.

## **ACTIVITY DESCRIPTIONS**

### **Administration**

The Administration activity provides support services to all divisions of the Department of Labor and Industries (L&I). The program provides personnel and other human resources services, facilities management, budget and financial management, direction of agency field offices, and overall agency direction. The program also provides information to large segments of the general public, including individual employers, employer groups, labor organizations, concerned citizens, the Governor and other state agencies, the Legislature, and other states or political subdivisions. The Information Services component provides coordinated agency-wide computing resources supporting external customer access to services, internal business applications and data management, information technology policy and planning, local network operations, and electronic data security.

## **HUMAN SERVICES - OTHER**

### **Apprenticeship**

Apprenticeship is a proven workforce training model that prepares a qualified workforce for employers in key occupations in our state. Combining on-the-job training with classroom education, apprenticeship helps employers address current or projected labor shortages and skills gaps in various industries such as the construction trades, health care, and childcare. The Apprenticeship program serves as the administrative arm of the Washington State Apprenticeship and Training Council. L&I staff are responsible for coordinating the development of apprenticeship programs, finding opportunities for expansion, and gaining compliance among apprenticeship programs across the state. Apprenticeship has become a proven alternative for individuals and employers as this training model continues to demonstrate the highest outcomes (when compared to other training programs such as private or technical schools or vocational training) in regards to average salary, employer satisfaction, and connecting the learned skills most directly to the occupation.

### **Contractor Registration**

The Contractor Registration program works to protect homeowners (as well as companies supplying labor, materials, or equipment) from unreliable, fraudulent, financially irresponsible, or incompetent construction contractors. The registration of contractors provides consumer protection because it requires contractors to maintain a minimum level of bonding and insurance coverage. L&I construction compliance inspectors verify and promote registration by making random site visits and responding to complaints from homeowners, material suppliers, and other contractors. Promoting compliance also protects contractors from those who attempt to gain a competitive advantage through noncompliance. This fee-for-service program is self supporting.

### **Crime Victims' Compensation**

The Crime Victims Compensation program helps eligible victims and their families recover from the emotional, physical, and financial hardship which crime imposes on them. The program provides financial assistance as a payer of last resort to victims in cases where bodily injury, mental trauma, or death results from criminal acts. The program reimburses medical facilities for emergency sexual assault exams that provide both emergency trauma services to victims and maintains evidence for potential prosecution of sexual assault perpetrators.

### **Electrical**

The Electrical program works to protect the people of the state from the inherent dangers associated with electrical work. It provides a baseline of public safety in electrical installations by inspecting electrical wiring and installations in industrial, commercial, institutional (schools), and residential construction. The program sets standards for the competency of individuals performing electrical work by establishing qualifications, administering a variety of examinations, and issuing electrical certificates and licenses. In addition, the program examines and accredits electrical product-testing laboratories and monitors the amusement ride industry for structural and mechanical safety. This fee-for-service program has a dedicated account that is self-supporting.

### **Elevator Inspection**

The Elevator program works to protect the people of the state from the inherent dangers and hazards associated with elevators and other types of conveyances such as escalators and material lifts. In order to minimize potential impacts to life or health, and to avoid the economic loss caused by unsafe conditions in elevators and conveyances, the program inspects all new and altered non-residential elevators and conveyances, and provides annual safety inspections on existing elevators and conveyances, including grain elevators. To further promote safety, the program issues licenses to elevator contractors and mechanics. This fee-for-service program is self-supporting.

### **Employment Standards/Prevailing Wage**

The state of Washington has a long tradition of protecting its workers, passing its first minimum wage laws in 1913. The Employment Standards program continues the tradition by promoting and enforcing fair labor practices and taking actions for employees who are not paid an appropriate and fair wage for the hours worked. Employers in the state must abide by rules and regulations concerning wage payments, working conditions, family care, and farm labor contractors. By providing statutory guidance in regards to our state's labor laws, L&I helps to keep many issues from reaching a costly litigious stage. The program's industrial relations agents act as the primary points of contact for workers who have not been fairly compensated for work performed. The program emphasizes and targets its compliance services towards vulnerable, low-wage workers. In addition, the program's goal is that minors in the workplace are safe and not performing specific prohibited duties. It accomplishes this by inspections, education, and issuance of minor work permits to employers of minors in well-defined limited circumstances. The Prevailing Wage program establishes prevailing wages and uses outreach and enforcement to promote these wages being paid on public works projects.

### **Factory-Assembled Structures**

The Factory-Assembled Structures (FAS) program sets standards and conducts inspections aimed at promoting the safety of those who live, study, work in, and use factory-assembled structures. Structures include mobile/manufactured homes, modular school and construction trailers, mobile medical units, recreational vehicles, and vendor trailer units. The program is the primary statewide building inspector for all factory-assembled structures that are sited in Washington.

### **Field Office Customer Support**

The Field Office Customer Service staff are the face of L&I in 20 local offices across the state, providing service to more than 700,000 people annually, in person and on the phone. More than 25 percent of those contacts are related to workers' compensation claims. The staff is knowledgeable and responds to inquiries about all L&I programs and services, including workers' compensation claims administration, claims for unpaid wages, and many more. They are often the first point of contact for employers, workers, and the general public who interact with the agency. Every day they contact injured workers and employers regarding return-to-work, register contractors, issue electrical licenses, sell electrical and factory-assembled structure permits, process prevailing wage intents and affidavits, process business license applications, and collect industrial insurance premium payments. The Field Office Customer Service staff process more than \$65 million annually, 70 percent of which are workers' compensation premium payments.

### **Health Care Analysis**

The Health Care Analysis program performs four main functions. It works to control the rate of growth in medical benefit costs for workers' compensation claims; improves the quality of health care in order to improve return-to-work outcomes for injured workers; pays health care provider medical bills to ensure injured worker access to health services; and detects and controls provider fraud and abuse. Health Services Analysis helps minimize medical cost increases for worker compensation claims by implementing and continually updating provider fee schedules, hospital payment methods, and pharmacy payments. These fee schedules provide fair compensation for claims costs, but do not allow individual providers to charge higher fees. Payment methods are coordinated and aligned with other major state health care purchasers in order to increase consistency and maximize the state's purchasing power.

### **Fraud Prevention and Compliance**

The Fraud Prevention and Compliance program serves as a key line of defense for the economic integrity of the industrial insurance state fund. The major functions of fraud prevention and compliance include audit and investigations of employer reporting, audits of provider billing at the fraud level, investigations of worker claims, and collection of funds owed to the agency as a result of delinquent premiums, audits, overpayments to claimants, and fraud. The goal of fraud prevention and compliance is to ensure that workers and providers receive only those benefits and funds that are properly due, while verifying that employers pay the proper premiums on a timely basis. Other activities include the investigation of cases involving potential discrimination against workers who exercise their right to file industrial insurance claims and an administrative function that allows reconsideration of assessments and class determination for employers.

## **HUMAN SERVICES - OTHER**

### **Plumbers Certification**

The Plumber Certification program protects the people of the state from damage to life or health, or from economic loss caused by unsafe and unsanitary plumbing conditions in residential and commercial structures. The program is responsible for setting the standardized experience and educational levels of plumbers, administering testing, and issuing certificates to plumbers. The program audits and reviews trainee hours, processes new certifications, and renews ongoing certifications. Inspectors also visit job sites to ensure compliance and respond to consumer complaints. This fee-for-service program has a dedicated account that is self-supporting.

### **Premium Assessment**

Washington is an exclusive state fund workers' compensation state where employers must purchase workers' compensation insurance from L&I. The only exceptions are some federal facilities and self-insured firms. L&I acts as a Workers' Compensation Rating Bureau and a large insurance company. L&I provides coverage for approximately 1.8 million workers annually. Actuaries recommend and calculate the classification rates used to assess employer premiums, and design and maintain the experience rating and retrospective premium rating systems used to calculate the assessed premiums and refunds. Retrospective rating offers optional rating plans to qualified state fund-insured employers and employer groups, providing economic incentives to reduce their workers' compensation insurance costs through effective accident prevention and claims management practices. The program assesses insurance premiums and delivers optimum customer service through key account managers to approximately 100,000 employers who pay into the workers' compensation system.

### **Pressure Vessel**

The Boiler/Pressure Vessel program works to protect the public from the inherent dangers associated with boiler/pressure vessel explosions. The program oversees the safety inspection of more than 100,000 boilers and pressure vessels in the state, including locations of public assembly such as schools, stadiums, hospitals, grocery stores, and gas stations. The program directly inspects uninsured and high-risk boiler/pressure vessels, and oversees and monitors insurance company inspectors who perform the remaining inspections. Inspections focus on the most critical safety aspects of these vessels such as relief valves and structural integrity. To further enhance public safety, a formalized permitting process has been implemented that keeps the department informed of new installations, and the program emphasizes the discovery and identification of unregistered vessels. This fee-for-service program has a dedicated account that is self-supporting.

### **Self Insurance**

In 1971, the Legislature created the self-insurance option for the provision of workers' compensation benefits to injured workers. The legislation allowed employers with the financial resources to assume responsibility for their own claims administration. Today 389 employers are covered by self-insurance. Their employees represent approximately one-third of Washington's workforce. The workers of self-insured employers are entitled to the same rights and benefits as those workers insured by the state fund managed by the Department of Labor and Industries. The Self Insurance Section adjudicates workers appeals so that workers of self-insured employers receive the workers' compensation benefits to which they are entitled.

### **SHARP**

The SHARP program is dedicated to promoting healthy work environments and preventing workplace injuries and illnesses. Since 1990, SHARP has advanced workplace health and safety by conducting numerous research, monitoring and demonstration projects that inform occupational safety and health practitioners, business and labor about emerging hazards and effective controls for persistent hazards. SHARP addresses complex occupational health and safety concerns by initiating in-house research projects and by responding to requests by employers, workers, business and labor organizations, health care professionals and Labor and Industries staff. SHARP works with the Washington Industrial Safety and Health (WISHA) Advisory Committee and national occupational health organizations to develop occupational health priorities. SHARP is the primary research program in Washington State that receives federal funding to track occupational injuries and illnesses.



**WISHA Administration and Policy**

Washington State's Constitution requires the adoption and enforcement of laws to protect employees from workplace hazards. Employers have a legal obligation to ensure safe workplaces. The WISHA program (Washington Industrial Safety and Health Act) employs the dual approach of prevention and protection to assist employers in meeting their legal obligation to keep Washington's 2.7 million workers safe while on the job. WISHA provides comprehensive services to ensure the reduction of preventable workplace injuries, illnesses, and fatalities through enforcement inspections, onsite consultation services, training opportunities, and educational resources. These services directly result in improving the safety and health of Washington's citizens, and improving the quality and productivity of the workforce. Other administrative responsibilities include significant interaction with the Governor's Office, the Legislature, and numerous businesses and labor stakeholders. The division also chairs the statutorily-required WISHA Advisory Committee and manages litigation, legislative, and federal grant and budget activities. Studies conducted over the past three years show a significant reduction in compensable workers' compensation claims in workplaces that WISHA has inspected.

**WISHA Consultation and Compliance**

Washington State's Constitution requires the adoption and enforcement of laws to protect employees from workplace hazards. The Division of Occupational Safety and Health (DOSH) administers Washington's workplace safety and health program through the Washington Industrial Safety & Health Act. DOSH focuses on preventing injuries, illnesses and deaths, and assisting employers in meeting their legal obligation to keep Washington's 2.7 million workers safe through education, consultation and enforcement. DOSH provides comprehensive services including training opportunities, educational resources, onsite consultation visits, and enforcement inspections. These services directly result in improving the safety and health of Washington's citizens. Studies conducted over the past several years show a significant reduction in workers' compensation time loss claims in workplaces that DOSH inspected. DOSH also works cooperatively with business, labor and industry associations and organizations to build a stronger safety and health culture in Washington's workplaces.

**Worker Compensation Benefit, Policy, and Operations**

L&I provides over \$1.5 billion in insurance benefits for about 144,000 new workers' compensation claims each year. L&I is charged with the responsibility of providing sure and certain relief to eligible workers who are injured or become ill as a result of a workplace injury or exposure. Benefits are provided when a worker is injured or develops a work-related illness while working in employment covered under the Industrial Insurance Act. Benefits include wage replacement during the period the worker is unable to work, payment for medical services related to their work-related injury or illness, return-to-work or vocational assistance to workers who cannot perform the job at the time of injury, monetary payment for physical or mental impairment resulting from injury or illness, or lifetime pension benefits for workers or their family members if a worker is permanently disabled or fatally injured while working. The adjudication of state fund pensions and the administration of both state fund and self-insured pension payments are provided by the Policy and Quality Coordination program. This program also is responsible for the appropriate adjustment to workers' compensation payments for recipients who are entitled to Social Security disability or retirement benefits.

**Other Statewide Adjustments**

This item reflects proposed compensation and other adjustments that were not allocated to individual agency activities. The agency will assign these costs to the proper activities after the budget is enacted.